

REASONS:

I offer the following reasons for this position: —

1. Law of neutrality - In case of differing international positions of the two governments—for instance, the United States being at war and Canada being neutral or vice versa—(as remote as that situation may appear)—the control of part of the waterway by the United States would be of great importance in tempering the application of international laws controlling the rights of belligerents as opposed to the rights of neutrals.

2. Anti-sabotage protection - It is imperative to have U.S. participation in security measures for the protection of the canals against sabotage and enemy action, and in screening of foreign ships that will transit the canals into our Great Lakes ports.

3. Toll negotiation - In an all-Canadian canal, the level, the duration, and the variations between commodities, of toll rates will be wholly in the hands of the Canadian Seaway Authority and the Canadian Board of Transport Commissioners. On the other hand, joint control would give U.S. spokesmen an opportunity to negotiate these toll rates.

4. Capital accounting - The amount of capital expenditures considered as a rate basis for the setting of tolls will be wholly at the discretion of the Canadian government in the case of an all-Canadian Seaway. By contrast, in a joint enterprise, this may be subject to negotiation and agreement between the two governments so as to hold it down to essential, incremental expenditures necessary for the new seaway.

5. Priorities at locks - In case of capacity usage of the canals and locks, which is likely to occur within as short a period as ten years after